

Bush and Social Security: Building a Bridge to the 19th Century

By Rep. Louise M. Slaughter
April 1, 2005

It has been said that the best measure of a society is the way that it treats its most vulnerable members. In today's America, many of our most vulnerable citizens are our seniors. Today's seniors, and those of the future, face the challenge of avoiding the poverty and debasement which characterized the final years of many men and women of generations past, before our fellow New Yorker Franklin D. Roosevelt made his sacred pact with the American people. Seventy years ago, Roosevelt made a promise that all Americans who worked hard and paid their taxes would retire with a decent, secure pension. The program he created assured that no senior citizen would be left homeless, hungry, or without a source of income. Since 1935, Social Security has provided a safety net for millions of retirees. Today, it is often the difference between a dignified and self-reliant life for America's retired citizens and the dependence and paralysis of stark poverty.

Social Security showed what F.D.R.'s America valued: charity, compassion, and an unwavering commitment to the common good. Today, a new President has a different idea of what America values. President Bush's "vision" for American retirement would see our country abandon the government's role in providing retirement security to its workers, divide the Social Security trust, and tempt individuals to invest in risky personal retirement accounts. His proposal would sell out working Americans, undermine the legacy of Roosevelt, and break the bond of trust forged between the government and its citizens more than three generations ago.

In his proposal for Social Security "reform," Mr. Bush has displayed a lack of respect for today's seniors and tomorrow's retirees. Creating individual retirement accounts will

drain trillions of dollars from Social Security over the next 20 years, cut guaranteed benefits to future retirees by over 40%, and increase the national debt by forcing the United States to borrow \$5 trillion from foreign countries. The Bush proposal would also implement an average 70% tax on every dollar in private investment accounts, prevent individuals from passing funds on to their children, and block the ability of citizens to choose where funds are invested. Women and minorities would be hardest hit, as they tend to earn lower salaries and are less likely to have 401k, pensions or other sources of private income for retirement.

Mr. Bush has not been honest with the American people and provides no specifics in his proposal. In his unsuccessful 1978 campaign for Congress, Bush claimed that Social Security would be broke in ten years if it wasn't privatized. Today, he claims that Social Security is facing collapse if immediate action is not taken. He was wrong then and he is wrong now. Experts have repeatedly said that in its current form, benefits can be paid in full for decades. Bush claims that his proposal is voluntary, while in actuality, payments from the traditional Social Security system will gradually decrease as personal accounts starve it of cash, leaving future Americans without the ability to choose between the two. He promises that private accounts will provide people with more money than Social Security checks will, ignoring the fact that millions of Americans lose money in the stock and bond markets every year. And he tries to turn America's youth against the elderly by claiming that they are paying for others while receiving nothing in return.

The Bush administration is not fixing Social Security. It is threatening to reverse the social progress of the 20th Century by placing private corporations before the welfare of the public. The President is threatening a return to the instability of 19th century America, when giant corporations enjoyed little regulation, the divide between rich and poor was extreme, and the economy was unstable and erratic.

Now is not the time to cast off the vision and legacy of F.D.R.'s promise. Congress must

protect the integrity of the Social Security program and ensure that the retirement security of America's citizens is not entrusted to Wall Street investment firms looking only to maximize their bottom line. Any acceptable plan must preserve what has always been the essence of Social Security: the peace of mind that comes from the guarantee that no working American will ever fall through the cracks. The President's plan merely makes the cracks wider.